

**APPEAL BRIEF UNDER 37 C.F.R. § 41.37**

**TABLE OF CONTENTS**

	<u>Page</u>
<b><u>1. REAL PARTY IN INTEREST</u></b> .....	2
<b><u>3. RELATED APPEALS AND INTERFERENCES</u></b> .....	3
<b><u>3. STATUS OF THE CLAIMS</u></b> .....	4
<b><u>4. STATUS OF AMENDMENTS</u></b> .....	5
<b><u>5. SUMMARY OF CLAIMED SUBJECT MATTER</u></b> .....	6
<b><u>6. GROUNDS OF REJECTION TO BE REVIEWED ON APPEAL</u></b> .....	7
<b><u>7. ARGUMENT</u></b> .....	8
<b><u>8. SUMMARY</u></b> .....	12
<b><u>CLAIMS APPENDIX</u></b> .....	13
<b><u>EVIDENCE APPENDIX</u></b> .....	18
<b><u>RELATED PROCEEDINGS APPENDIX</u></b> .....	19

**PATENT**

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

In re Application of: Reed Maltzman

Examiner: Timothy M. Harbeck

Serial No.: 09/820,574

Group Art Unit: 3628

Filed: March 28, 2001

Docket: 2043.040US1

METHOD AND SYSTEM TO ENABLE A FIXED PRICE PURCHASE WITHIN AN  
ONLINE AUCTION ENVIRONMENT

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**APPEAL BRIEF UNDER 37 CFR § 41.37**

Mail Stop Appeal Brief- Patents  
Commissioner for Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

Sir:

The Appeal Brief is presented in support of the Notice of Appeal to the Board of Patent Appeals and Interferences, filed on March 9, 2006, from the Final Rejection of claims 1-20, 22 and 30 of the above-identified application, as set forth in the Final Office Action mailed on January 4, 2006.

The Commissioner of Patents and Trademarks is hereby authorized to charge Deposit Account No. 19-0743 in the amount of \$500.00 which represents the requisite fee set forth in 37 C.F.R. § 41.2(b)(2). The Appellant respectfully requests consideration and reversal of the Examiner's rejections of pending claims.

## **1. REAL PARTY IN INTEREST**

The real party in interest of the above-captioned patent application is the assignee, EBAY INC. by virtue of an assignment from the inventor to EBAY INC. recorded March 28, 2001 at Reel 011659, Frame 0937.

## **2. RELATED APPEALS AND INTERFERENCES**

There are no other appeals or interferences known to Appellant that will have a bearing on the Board's decision in the present appeal.

### **3. STATUS OF THE CLAIMS**

The present application was filed on March 28, 2001 with claims 1-29. In response to the non-final Office Action mailed June 27, 2005, Appellant canceled claims 21 and 23-29 and added claim 30. A Final Office Action (hereinafter “the Final Office Action”) was mailed January 4, 2006. Claims 1-20, 22 and 30 stand twice rejected, remain pending, and are the subject of the present Appeal.

#### **4. STATUS OF AMENDMENTS**

No amendments have been made subsequent to the Final Office Action dated January 4, 2006.

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## **5. SUMMARY OF CLAIMED SUBJECT MATTER**

Some aspects of the present inventive subject matter include, but are not limited to, methods and systems to enable a fixed price purchase within an online auction environment.

According to one embodiment a first computer system may present both an auction purchase process (e.g., Figure 9, 503; paragraphs 17, 30 and 39) and a fixed-price purchase process for purchase of an offering to a buyer (e.g., Figure 9, 504; paragraphs 17, 30 and 39). Responsive to receipt of a bid (paragraph 35) from the buyer as part of the auction purchase process, removing the presentation of the fixed-price purchase process (paragraph 35).

This summary does not provide an exhaustive or exclusive view of the present subject matter, and Appellant refers to the appended claims and its legal equivalents for a complete statement of the invention.

## **6. GROUNDS OF REJECTION TO BE REVIEWED ON APPEAL**

- Whether claims 1-16, and 30 were properly rejected under 35 U.S.C. § 103(a) as being unpatentable over Woolston (U.S. 6,202,051; hereinafter Woolston) in view of Hof et al. (eBay vs. Amazon.com, May 31, 1999, Business Week, pg.128; hereinafter Hof).
- Whether claims 17-19 were properly rejected under 35 U.S.C. § 103(a) as being unpatentable over Woolston in view of Hof as applied to claims 16 and 23 above, and further in view of eBay ([http://web.archive.org/web/\\*/http://www.ebay.com](http://web.archive.org/web/*/http://www.ebay.com), Date: 11/27/99, Category: Toys, Bean Bag Plush: Action Figures: General; hereinafter Webpage).
- Whether claims 20-22 were properly rejected under 35 U.S.C. § 103(a) as being unpatentable over Hess et al. (U.S. 6,058,417; hereinafter Hess) in view of Hof.



## **7. ARGUMENT**

### ***A) The Applicable Law under 35 U.S.C. §103(a)***

“To establish a *prima facie* case of *obviousness*, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on Appellant's disclosure” (emphasis added).

In re Vaeck, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991).

“All words in a claim must be considered in judging the patentability of that claim against the prior art.”

MPEP 2143.03 citing *In re Wilson*, 424 F.2d 1382, 1385, 165 USPQ 494, 496 (CCPA 1970).

A prior art reference must be considered in its entirety, i.e., as a whole, **including portions that would lead away from the claimed invention** (emphasis added).

MPEP 2141.02 Citing *W.L. Gore & Associates, Inc. v. Garlock, Inc.*, 721 F.2d 1540, 220, USPQ303 (Fed. Cir. 1983), cert. denied, 469 U.S. 851 (1984)

### ***B) The rejection of claims 1--22 and 30 was erroneous because the references relied upon in the Final Office Action do not teach or suggest every element of the claims at issue***

Claim 1 includes the following limitations:

*presenting, via a first computer system, both an auction purchase process and a fixed-price purchase process for purchase of an offering to a buyer; and*

*responsive to receipt of a bid from the buyer as part of the auction purchase process, removing the presentation of the fixed-price purchase process.*

The Final Office Action contends that the above limitations are obvious when combining Woolston and Hof. Specifically, the Final Office Action alleges that Hof describes “adding fixed prices to their auctions.” Appellant notes that Hof describes the following:

“ebay is mulling fixed prices”

Hof, Page 2, paragraph 1.

“And eBay recently polled members on whether they’d like to see fixed – price auctions.”

Hof, Page 4, paragraph 3.

It’s [eBay] also mulling fixed – price auctions and dealer storefronts to offer a wider range of products and pricing choices.

Hof, Page 9, bottom of page.

The above quotes from Hof describe eBay as mulling “fixed prices,” eBay as polling members on whether they would like to see “fixed-price auctions, and eBay as mulling “fixed-price auctions.”

Claim 1 requires presenting both an auction purchase process and a fixed-price purchase process and **removing the presentation of the fixed-price purchase process in response to receiving a bid from a buyer**. In contrast, the above quotes from Hof do not teach or suggest presenting both an auction purchase process and a fixed-price purchase process or removing the presentation of a fixed-price purchase process in response to receiving a bid from a buyer. Rather, there is some vague mention of eBay as mulling fixed prices, eBay as polling members to see whether they would like fixed-price auctions, and eBay as mulling fixed-price auctions. Indeed, the thrust of the Hof article is to compare the competitive strategies of eBay and Amazon (e.g., Hof is entitled “eBay vs. Amazon.com”). To the point, nowhere does Hof describe a presentation of both an

auction purchase process and a fixed-price purchase process, much less the removal of the presentation of the fixed-price purchase process in response to receiving a bid from a buyer.

The Final Office Action alleges that “Woolston shows both a fixed price market as well as an auction market available on a single interface.” Appellant notes that Figure 13 in Woolston is a diagram showing a user interface (Col. 8, lines 43-44) that includes a retail price field 962 and a reserve price field 958 (Col. 15, lines 66-67). Nevertheless, the mentioned user interface cannot teach or suggest a presentation of both an auction purchase process and a fixed-price purchase process, as required by claim 1, because Woolston teaches that once a participant indicates their wishes to auction a good “the good is identified as waiting for an auction date and may not be purchased on the electronic market” (Col. 5, lines 53-64). Moreover, Woolston may be said to teach away from the claimed invention because Woolston describes a system where the owner of the good identifies whether the good is auctioned or sold (Id., Col. 13, lines 5-9) and claim 1 requires responding to receipt of a bid from a buyer by removing a presentation of a fixed-price purchase process. To be sure, Woolston further describes a participant who purchases a good and identifies the good as on the market (e.g., may be bought and sold at any time) or awaiting an auction date (Col. 13, lines 5-9).

The Final Office Action further alleges that Hof discloses contemplation of “fixed-price auctions.” Indeed, as quoted above, Hof mentions “fixed-price auctions;” however, Appellant respectfully points out that Hof fails to describe or define “fixed-price auctions.” One may only speculate as to the meaning of such a term which contradicts itself (e.g., auctions typically do not operate by means of fixed prices). Indeed, the term “fixed-price auction” may be a misquotation by the author of Hof. Most certainly the term “fixed-price auction” is not found in Appellant’s application.

Hof therefore cannot be said to anticipate the above quoted limitation because Hof describes eBay as mulling fixed prices, polling members to see whether they would like fixed-price auctions, and mulling fixed-price auctions without defining a “fixed-price auction” and claim 1 requires presenting an auction purchase process and a fixed-price

purchase process and removing the presentation of the fixed-price purchase process in response to receiving a bid from a buyer.

The above remarks are also applicable to a consideration of independent claims 10 and 30.

In addition, if an independent claim is nonobvious under 35 U.S.C. § 103 then, any claim depending therefrom is nonobvious and rejection of claims 2-9 and 11-16 under 35 U.S.C. § 103 is also addressed by the above remarks.

Claims 17-19 depend on independent claim 10 therefore the rejection of rejection of claims 17-19 under 35 U.S.C. § 103 is also addressed by the above remarks.

The above remarks are also applicable to a consideration of the independent claim 20. Claims 21-22 depend on independent claim 20 therefore the rejection of claims 21-22 under 35 U.S.C. § 103 is also addressed by the above remarks.

In summary, Woolston in combination with Hof in combination with Webpage in combination with Hess does not teach or suggest each and every limitation of claims 1, 10, 20 and 30 as required to support rejections of the independent claims of the present application under 35 U.S.C. § 103. Appellant respectfully requests reversal of the § 103(a) rejections.

**8. SUMMARY**

For the reasons stated above, the claims 1-20, 22 and 30 were not properly rejected under § 103(a) as being unpatentable over Woolston in combination with Hof in combination with Webpage in combination with Hess.

It is respectfully submitted that the art cited does not render the claims obvious and that the claims are patentable over the cited art. Reversal of the rejection and allowance of the pending claims are respectfully requested.

Respectfully submitted,

REED MALTZMAN

By his Representatives,

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Date 5/4/2006 By Mark R. Vatuone  
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CERTIFICATE UNDER 37 CFR 1.8: The undersigned hereby certifies that this correspondence is being filed using the USPTO's electronic filing system EFS-Web, and is addressed to: MS Appeal Brief- Patents, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450, on this 4 day of May, 2006.

Peter Rubuffoni  
Name

Peter Rubuffoni  
Signature

## **CLAIMS APPENDIX**

1. (Rejected) A computer implemented method of facilitating an electronic transaction, the computer implemented method comprising:
  - presenting, via a first computer system, both an auction purchase process and a fixed-price purchase process for purchase of an offering to a buyer; and
  - responsive to receipt of a bid from the buyer as part of the auction purchase process, removing the presentation of the fixed-price purchase process.
2. (Rejected) The computer implemented method of claim 1 wherein the presenting includes generating a first user interface identifying both the auction purchase process and the fixed-price purchase process to the buyer.
3. (Rejected) The computer implemented method of claim 2 wherein the first user interface is a markup language document generated at a second computer system, and wherein the presenting includes communicating the markup language document from the second computer system to the first computer system via a network.
4. (Rejected) The computer implemented method of claim 1 wherein the removing of the presentation includes generating a second user interface that identifies only the auction purchase process to the buyer.
5. (Rejected) The computer implemented method of claim 1 wherein the auction purchase process is presented with an initial bid value and wherein the fixed-price purchase option is presented with a seller determined price.

6. (Rejected) The computer implemented method of claim 1 including, responsive to receipt of a fixed price offer from the buyer as part of the fixed-price purchase process, establishing the electronic transaction between the buyer and a seller for purchase of the offering at a fixed price.

7. (Previously Presented) The computer implemented method of claim 1 including, responsive to the receipt of the bid from the buyer, as part of the auction process, maintaining only the auction purchase process for a predetermined period of time to receive further bids from further buyers.

8. (Rejected) The computer implemented method of claim 7 including, at conclusion of the predetermined time period, establishing the electronic transaction between a winning buyer, who submitted a highest valid bid, and the seller.

9. (Rejected) The computer implemented method of claim 1 including presenting to a seller a purchase process option to sell the offering by both the auction and the fixed-price purchase processes, and receiving a purchase process indication from the seller responsive to the presentation of the purchase process option.

10. (Rejected) A computer implemented method comprising:

receiving, at a computer system, an offering's selling information from a seller including an offering description, an indication whether to allow a buyer a chance to buy the offering at a seller determined price, and if the indication to allow the buyer the chance to buy the offering at the seller determined price is affirmative, the seller determined price;

receiving purchase information from the buyer including at least one of an affirmative indication to purchase the offering at the seller determined price if a seller has given affirmative indication to allow the buyer the chance to buy the offering at the seller determined price and a bid the buyer will buy the offering at; and

determining a successful buyer comprising:

if an affirmative indication to purchase the offering at the seller determined price is received from the buyer and no bids have been received for the offering, the buyer, having given affirmative indication, is the successful buyer;

if a first bid is received from the buyer then a buyer from which the highest bid is received is the successful buyer.

11. (Rejected) The computer implemented method of claim 10 further comprising requesting additional bidding information from the buyer giving the affirmative indication to purchase the offering at the offering's seller determined price if the additional bidding information has not been received before; the additional bidding information used to determine whether to accept the buyer's affirmative indication to purchase the offering at the offering's seller determined price.

12. (Rejected) The computer implemented method of claim 10, wherein if the seller gives the affirmative indication to allow the buyer the chance to buy the offering at the seller determined price, the chance to buy the offering at the seller determined price terminates upon receipt of the first bid from the first buyer.

13. (Rejected) The computer implemented method of claim 10, wherein if the offering's selling information received from the seller includes a reserve price, the seller is notified of an error if the reserve price is not equal to or less than the seller determined price if the seller gives the affirmative indication to allow the buyer the chance to buy the offering at the seller determined price.

14. (Rejected) The computer implemented method of claim 10, wherein if the seller gives the affirmative indication to allow the buyer the chance to buy the offering at the seller determined price, a first buyer's desired bid is compared to the seller determined price and if the first buyer's desired bid is greater than the seller determined price, a message is sent to the first buyer inviting the first buyer to give the affirmative indication



to purchase the offering at the seller determined price before the first buyer's desired bid is received.

15. (Rejected) The computer implemented method of claim 10, wherein if the seller gives the affirmative indication to allow the buyer the chance to buy the offering at the seller determined price, a first buyer's desired bid is compared to the seller determined price and if the first buyer's desired bid is less than the seller determined price, a message is sent to the first buyer inviting the first buyer to give affirmative indication to purchase the offering at the seller determined price before the first buyer's desired bid is received.

16. (Rejected) The computer implemented method of claim 10 further comprising presenting a part of the offering's selling information to a buyer on a computer screen.

17. (Rejected) The computer implemented method of claim 16 further comprising displaying a visual indicator in association with the offering's selling information if the seller of the offering has given the affirmative indication to allow the buyer the chance to buy the offering at the seller determined price.

18. (Rejected) The computer implemented method of claim 17 further comprising removing the visual indicator after the first bid is received on that offering from a first buyer.

19. (Rejected) The computer implemented method of claim 17 further comprising generating a user interface to receive the buyer's affirmative indication to purchase the offering which the seller has given the affirmative indication to allow the buyer to purchase at the seller determined price.

20. (Rejected) A computer implemented method comprising:  
receiving, at a computer system, offering information from a plurality of sellers at a computer-based transaction facility;

organizing the offering information into predetermined categories;  
 receiving a category selection from a buyer at the computer-based transaction facility;  
 automatically displaying a list of offering information in the selected category, with a visual indicator appearing in association with a respective offering if a seller of the offering has given affirmative indication to allow a buyer a chance to buy the first offering at a seller determined price; and  
 removing the visual indicator after a first bid is received on the first offering from a first buyer.

21. (Cancelled)

22. (Rejected) The computer implemented method of claim 20 further comprising removing the offering's selling information if a seller has given an affirmative indication to allow the first buyer a chance to purchase the first offering at a seller determined price and an affirmative indication to purchase the offering at the seller determined price has been received.

23.-29. (Cancelled)

30. (Rejected) A tangible machine readable medium storing a set of instructions that, when executed by a machine, cause the machine to:

present, via a first computer system, both an auction purchase process and a fixed-price purchase process for purchase of an offering to a buyer; and  
 responsive to receipt of a bid from the buyer as part of the auction purchase process, remove the presentation of the fixed-price purchase process.

**EVIDENCE APPENDIX**

None.

**RELATED PROCEEDINGS APPENDIX**

None.